and terms relating to grade mean the same as in the U.S. Standards for Grades of Grapefruit (Texas and States other than Florida, California, and Arizona) (7 CFR 51.620 through 51.653), or in the U.S. Standards for Grades of Oranges (Texas and States other than Florida, California, and Arizona) (7 CFR 51.680 through 51.714).

[25 FR 9757, Oct. 12, 1960. Redesignated at 26 FR 12751, Dec. 30, 1961, and amended at 39 FR 44736, Dec. 27, 1974; 40 FR 3286, Jan. 21, 1975; 44 FR 75103, Dec. 19, 1979; 48 FR 50502, Nov. 2, 1983; 49 FR 3173, Jan. 26, 1984; 54 FR 18095, Apr. 27, 1989; 59 FR 50826, Oct. 6, 1994; 59 FR 63693, Dec. 9, 1994; 60 FR 13892, Mar. 15, 1995]

## § 906.121 Reestablishment of districts.

The three districts of the production area specified in §906.20 *Districts* are reestablished as a single district comprising the entire production area.

[34 FR 6651, Apr. 18, 1969]

## § 906.122 [Reserved]

## § 906.123 Fruit for processing.

- (a) No person shall be granted exemption from regulation to handle oranges and grapefruit for processing unless such fruit is shipped to an approved processor. All such shipments to an approved processor shall be reported to the committee on a form approved by it.
- (b) Approved processor. Any person who desires to acquire, as an approved processor, fruit for processing, as set forth in §906.120(b), shall, prior thereto, file an application with the committee on a form approved by it, which shall contain, but not be limited to, the following information:
  - (1) Name and address of applicant;
- (2) Location of plant or plants where manufacturing is to take place;
- (3) Approximate quantity of fruit used each month;
- (4) A statement that the fruit obtained exempt from fresh fruit regulations will not be resold or transferred for resale, directly or indirectly, but will be used only for processing;
- (5) A statement agreeing to hold a license issued under the Perishable Agricultural Commodities Act, 1930 (7 U.S.C. 499r), and regulations issued thereunder (7 CFR part 46) when buying

Texas oranges and grapefruit for processing;

- (6) A statement agreeing to undergo random inspection by the committee;
- (7) A statement that the requesting processor has no facilities, equipment, or outlet to repack or sell fruit in fresh form;
- (8) A statement agreeing to submit such reports as are required by the committee.

Such application shall be investigated by the committee staff. After such investigation, the staff shall report its findings to the committee at its next meeting or to its delegated subcommittee. Based upon the staff's report and other reliable information, the committee or delegated subcommittee shall approve or disapprove the application and notify the applicant accordingly. If the application is approved, the applicant's name shall be placed upon the list of approved processors.

- (c) Certificate by processors. Upon request by the committee each approved processor shall submit to the committee on or before the 10th day of each month a report of the oranges and grapefruit used during the preceding calendar month. Each report shall contain a certificate to the United States Department of Agriculture and to the committee as to the truthfulness of the information shown therein.
- (d) *Diversion report*. Each handler who ships fruit to processors for processing shall report to the committee on a form approved by it the following information:
- (1) Name and address of the processor's place of business where the fruit was shipped;
- (2) The net weight of oranges or grapefruit;
- (3) Truck license number or rail car initial and number:
- (4) Inspection certificate number; and(5) Such other information as the committee may require.

The handler shall prepare 4 copies of the report and sign them. The original copy shall be submitted to the committee within 7 days. One copy shall be retained by the handler. One copy shall be given to the party transporting the fruit who, upon arrival at the processor's place of business, shall turn it